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RUEHLM/AMEMBASSY COLOMBO PRIORITY 5672
RUEHKA/AMEMBASSY DHAKA PRIORITY 0865
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3681
RUEHLO/AMEMBASSY LONDON PRIORITY 5000
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0996
RUEHCI/AMCONSUL KOLKATA PRIORITY 3134
RUEKJCS/SECDEF WASHDC PRIORITY
RUCNDT/USMISSION USUN NEW YORK PRIORITY 2426
RHEFDIA/DIA WASHDC PRIORITY
RHMFISS/CDR USPACOM HONOLULU HI PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000367

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SUBJECT: NEPAL: MAOIST RALLY BIG BUT BLAND

Classified By: DCM Nicholas J. Dean. Reasons 1.4 (b/d).

Summary

¶1. (SBU) On February 13, Maoist Supremo Prachanda and other Maoist leaders addressed a rally in Kathmandu, drawing between 150,000 and 200,000 people. The rally was peaceful and well-organized, with security provided by 4,000-5,000 members of the Maoist Youth Communist League. Many of the participants in the rally were children. Prachanda's speech called for a democratic republic to be formed in Nepal and for sweeping economic and land reforms. He also called for corruption to be punished. Political party, business, and civil society leaders' all had negative reactions to Prachanda's speech.

Rally Peaceful, Organized, and Bland

¶2. (SBU) On February 13, the Maoists held a rally in Kathmandu to celebrate the twelfth anniversary of the beginning of the "People's War." Maoist Supremo Prachanda addressed a crowd of between 150,000 and 200,000 people. Emboffs on the scene witnessed a peaceful and well-organized rally, with security provided by 4,000-5,000 Maoist militia members from the Youth Communist League armed with small bamboo sticks. Participants, many of them children, were bussed in from surrounding villages and districts for the event. While the crowd frequently seemed uninterested in many of the speeches by low-level leaders, the crowd became very excited when Prachanda arrived on the scene.

Prachanda's Speech Sweeping but Non-Specific

¶3. (SBU) The February 13 speech was Prachanda's first public address in Kathmandu since he went underground over 25 years ago. In the speech, carried live on all major television and radio stations, Prachanda laid out his party's vision for a "new Nepal." Although he provided few details, he did recite some of the policies the Communist Party of Nepal (Maoist) would pursue if it gained power. Highlights of the speech included:

- If election to a Constituent Assembly is postponed from June, the Maoists will declare Nepal a republic by mid-May.

- The Maoists have no other interest except for the liberation of the people of Nepal.
- Conspiracies are being hatched to break the unity among the people and delay the election.
- The Maoists will pursue an economic policy characterized by "national benefit" and implement "revolutionary land reform." He said the Maoists were not against capitalists, but wanted to reduce the role of foreign investment in Nepal.
- Prachanda criticized the Seven-Party Alliance (SPA) for not living up to the spirit of the April 2006 People's Movement.
- The same people who labeled the Maoists as a "dividing force" when they were calling for self-rule, federalism, and proportional representation are now claiming those ideals as their own.
- The Maoists regret wrongdoing during the armed "People's War." Prachanda begged forgiveness for any mistakes made and pledged not to make them again in the future.
- Party leaders, from the top to the bottom, will not be allowed to own personal property.
- The Maoists are committed to take action against those involved in corruption.
- Prachanda vowed to seize money deposited in foreign banks to build a new Nepal.

Political Party Leaders Negative

14. (C) Arjun Narsingh KC, Central Committee Member of the Nepali Congress, said that Prachanda's speech was the same old Maoist line. He suspected Prachanda's goal was to delay the election. Minendra Rijal, Member of Parliament from the Nepali Congress-Democratic, worried that Prachanda's speech showed that the Maoists were ready to capture state power by

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any means necessary. Rijal stated that the Maoists realized they were losing the support of the people as well as control in many parts of the country, and the rally on February 13 was a chance for them to show they still had a strong hold in the capital. Bhim Rawal, Central Committee Member of the Communist Party of Nepal-United Marxist Leninist, said that Prachanda's speech showed that the Maoists had not relinquished violence and were bent upon seizing state power.

He said that the Maoist strategy was to speak badly of the SPA to gain the support of the public.

Civil Society Speaks Out

15. (C) Subodh Pyakurel, President of the Informal Sector Service Center (INSEC), said that even though Prachanda had accepted the mistakes the Maoists made during the war, the Maoists seemed destined to repeat them. He said that Prachanda's speech contained no concrete message to the people of Nepal as to what the Maoist vision of a "new Nepal" entailed. Pyakurel also stated that Prachanda's criticism of the SPA showed that the Maoist Party was losing popular support in many parts of the country. He was trying to build it up again by criticizing the SPA.

Business Leaders Equally Negative

16. (C) Banwari Lal Mittal, former President of the Nepal Chamber of Commerce, noted that, although Prachanda had spoken of a Maoist economic policy which would allow for private business and private wealth, he had also said that the Maoists would confiscate the property of "feudal lords." However, Prachanda did not explain who these feudal lords were, and Mittal wondered if industrialists might fall into this category. Prasiddha Pandey, President of the Nepal-U.S.A. Chamber of Commerce, stated that Prachanda's speech was overwhelmingly negative because it did not give specifics about any of the Maoist policies. Pandey said that Prachanda had spoken of a mixed economy and had implied that the Maoists might put a cap on the wealth someone was allowed

to own. How could a party cap someone's wealth in a free and open economy, Pandey wondered? Surendra Bir Malakar, President of the Nepal Chamber of Commerce, said that many businessmen were worried that the Maoists had an ulterior motive to overturn the country's economic order and that was why Prachanda's speech conveyed such a mixed message. Malakar said that, in general, the business community had found Prachanda's speech frightening.

Comment

17. (C) Prachanda's debut public address in Kathmandu on February 13 did not attract the million marchers the Maoists had claimed it would draw. The Maoist Supremo did draw more people than many had expected to a political event that proved orderly and peaceful. Whether the speech will kick off a string of successful political rallies across Nepal by the Maoists or merely serve as a high water mark for a party that has seen its claims of inevitable victory revealed as hollow by the unrest in the Terai remains to be seen. Prachanda's standard Maoist rhetoric on "revolutionary land reform" while also stressing the need for a republic, a mixed economy, and an end to corruption, was probably sufficiently strong to keep his base mollified without creating too many new enemies. The Communist Party of Nepal (Maoist) has made it clear that it will vie for power by wooing voters. The time has come for the democratic parties to do the same.

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